

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE)	
APPLICATION OF THE FUEL)	
ADJUSTMENT CLAUSE OF)	CASE NO. 2011-00248
LOUISVILLE GAS AND ELECTRIC)	
COMPANY FROM NOVEMBER 1, 2010)	
THROUGH APRIL 30, 2011)	

O R D E R

Pursuant to 807 KAR 5:056, the Commission, on August 23, 2011, established this case to review and evaluate the operation of the Fuel Adjustment Clause ("FAC") of Louisville Gas and Electric Company ("LG&E") for the six-month period that ended on April 30, 2011. As part of this review, LG&E submitted certain information, pursuant to Commission Order, concerning its compliance with 807 KAR 5:056. The Commission held a public hearing in this matter on October 18, 2011. On October 28, 2011, LG&E filed its response to a request made at the hearing.

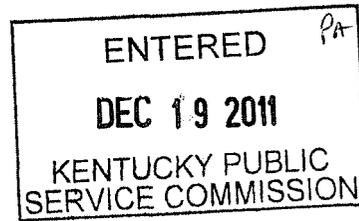
The Commission has previously established LG&E's base fuel cost as 22.15 mills per kWh.¹ A review of LG&E's monthly fuel clause filings shows that the actual fuel cost incurred for the six-month period under review ranged from a low of 21.11 mills in January 2011 to a high of 24.76 mills in April 2011, with a six-month average of 23.02 mills.

¹ Case No. 2010-00493, An Examination of the Application of the Fuel Adjustment Clause of Louisville Gas and Electric Company from November 1, 2008 through October 31, 2010 (Ky. PSC May 31, 2011).

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds no evidence of improper calculation or application of LG&E's FAC charges or improper fuel procurement practices.

IT IS THEREFORE ORDERED that the charges and credits billed by LG&E through its FAC for the period November 1, 2010 through April 30, 2011 are approved.

By the Commission



ATTEST:



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